

DFAS

Your Financial Partner @ Work

TOM BLOOM
Director, DFAS
June 13, 2000



* Who we are

* Supporting the Acquisition Community

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Who we are

- **Great people, with a clear mission, serving America's best**
- **World's largest finance and accounting operation**
- **Established in 1991 based on DMRD 910**
- **Worthy of a Harvard business case study**
- **“Your Financial Partner @ Work”**

Your Financial Partner @ Work

DFAS Mission

“Provide responsive, professional finance and accounting services to the Department of Defense”



Ultimately, success is defined by how well we support commanders and the individual Soldier, Sailor, Airman, Marine, DoD Civilian, military retiree and annuitant.



World's Largest Finance and Accounting Operation!

Annual figures

- 5.4M military, civilians, retirees, annuitants paid
- \$288B in disbursements
- \$222B in Foreign Military Sales Trust Fund
- \$162B Retirement Trust Fund manager
- 14M invoices paid
- 100M accounting transactions
- 5.4M travel payments
- 156 active DoD appropriations

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DFAS Vision

- **World Class provider of finance and accounting services, with a strong corporate identity**
- **Trusted, innovative financial advisor**
- **Employer of choice, providing a progressive and professional work environment**
- **Competitive, best value to customers**

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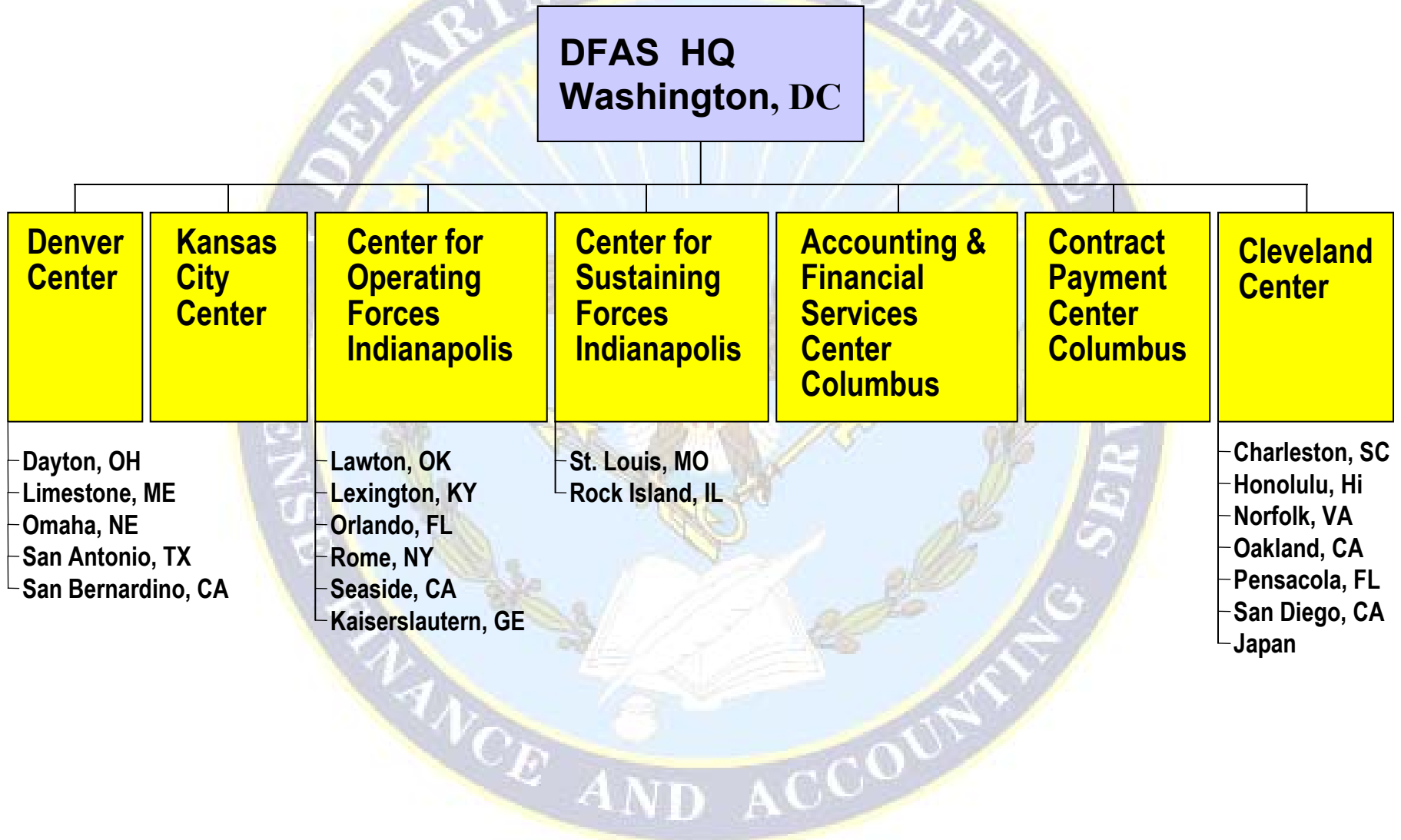
Customer Focused Organization

- **Communication with customers**
- **Director's Corporate Review**
- **Columbus, Indianapolis Centers realigned**
- **Customer service call center operations**
- **Employee/Member Self Service (E/MSS)**
- **Customer Surveys**
- **Business best practices**
- **Billing incentives**



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DFAS Organizational Structure



Competitive Sourcing Program

- **Ultimate goal: Better Service, Lower Cost**
- **Changed process to encourage competition**
- **Drawing on world class firms to identify “Best Practices”**
- **Used a senior level working group consisting of our business partners**
- **Will meet DoD A-76 targets**
- **Retiree and Annuitant Pay, and Civilian Pay studies**

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Contract Payment/Accounting Process

- **Quality of accounting info - Our top priority!**
- **Timely, accurate payments**
- **Support of contract writing process - payment provisions**
- **Contract closeout meetings**
- **Reduction of problem disbursements**

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Contract Payment Process (con't)

- **Lightning Bolt 99-6 initiative**
 - **Combined USAF-DFAS Columbus effort to improve contract payment process**
 - **Published AFMC Payment Instruction Guide**
 - **Superb results -accuracy/timeliness improved**
- **DFAS-IN and Army Material Command utilize similar team approach**

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Other Acquisition Support Efforts

- **Electronic Commerce**
- **SPS**
- **DPPS**
- **Reorganization of Columbus Center**

Organizational Change Concept

- **DFAS must improve business practices to be competitive**
- **Shift from geographic focus to business line focus (Accounting Services, People Pay, Commercial Pay)**
- **Sharpen focus on customer service**
- **Improve internal delivery of RM, IT and HR support to the business lines**
- **Implement over next 12 - 18 months**

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